Labour Market Notes

Employment pulled down by private sector job losses

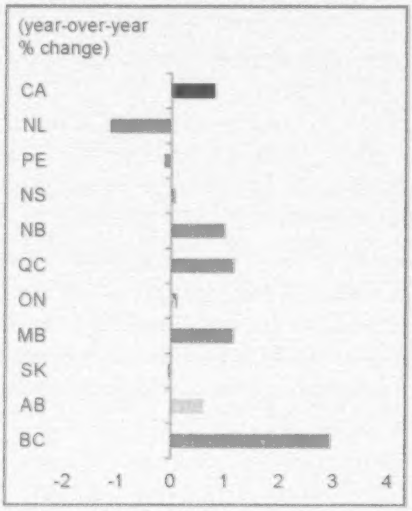
Alberta

- Employment falls in October. Alberta employment declined by 10,800 this month, partially offsetting the increase in September.
- Private sector loses jobs. Employment was pulled down by private sector losses of 17,800, the largest decline since February. Public sector employment increased by 6,400, while self-employment was flat (+400). Full-time employment was also down (-11,600), and part-time was flat (+800).
- Declines across most industries. Employment losses were primarily in the goods sector (-9,800), with service sector employment down only slightly (-1,000). The largest industry losses were in natural resources (-4,500), other services, such as repair, maintenance and personal services (-4,500), trade (-3,600) and manufacturing (-2,200). Since December 2014, the service sector has added 38,400 jobs, while jobs in the goods sector have fallen by 34,200.
- Unemployment rate continues ascent. Alberta's unemployment rate ticked up 0.1 percentage points to 6.6% in October. This was due to employment falling more than the labour force (-9,300). The unemployment rate is now 2.1 percentage points higher than in January.
- Employment growth weakens. Year-over-year (y/y) employment was up only 13,400, or 0.6%, in October. This was the weakest year-over-year change since December 2010.
- Earnings continue to weaken. Average weekly earnings fell for the seventh straight month to $1,129 in August. Year-over-year growth in earnings declined 2.6%, due to a 5.4% y/y decline in the goods sector. Service sector earnings growth remains positive at 0.8% y/y. Year-to-date, Alberta earnings are up only 0.6%.

Canada

- Canadian employment builds on previous gains. There were 44,400 jobs added in October. Gains were concentrated in Ontario (+29,200) and British Columbia (+23,300). Alberta lost the most jobs, followed by Quebec (-5,600). Canada has added 143,400 net new jobs since October 2014, a 0.8% y/y gain.
- Unemployment rate down slightly. The Canadian unemployment rate fell by 0.1 percentage points to 7.0% in October.
- Canadian earnings weaken in August. Canadian average weekly earnings fell by 0.7% from the previous month to $947. Year-over-year growth was 0.8%, the lowest Canadian growth since collection began in the early 2000s. Alberta and Saskatchewan were the only provinces to experience negative growth. Year-to-date, Canadian earnings were up 2.0%.

Employment Growth by Province, October 2015 vs. October 2014



Source: Statistics Canada

Alberta Labour Market Indicators

Indicator	Latest*
Employment	2,304,400
month-over-month change	-10,800
year-over-year % change	0.6%
Alberta Unemployment Rate (UR)	6.6%
Edmonton UR**	6.0%
Calgary UR**	6.7%
Participation Rate	73.1%
Average Weekly Earnings (AWE)	$1,128.63
year-over-year % change	-2.6%
Average Hourly Wage	$29.43
year-over-year % change	3.8%
Job Vacancy Rate***	1.6%

Source: Statistics Canada

* All data is from the Labour Force Survey for October 2015, except AWE which is the August 2015 Survey of Employment, Payrolls and Hours, and the job vacancy rate is for July 2015.

** This indicator is calculated as a three-month moving average and is seasonally adjusted.

*** This indicator is calculated as a three-month moving average and is not seasonally adjusted.

Alberta Government

November 6, 2015
Treasury Board and Finance
Economics and Revenue Forecasting

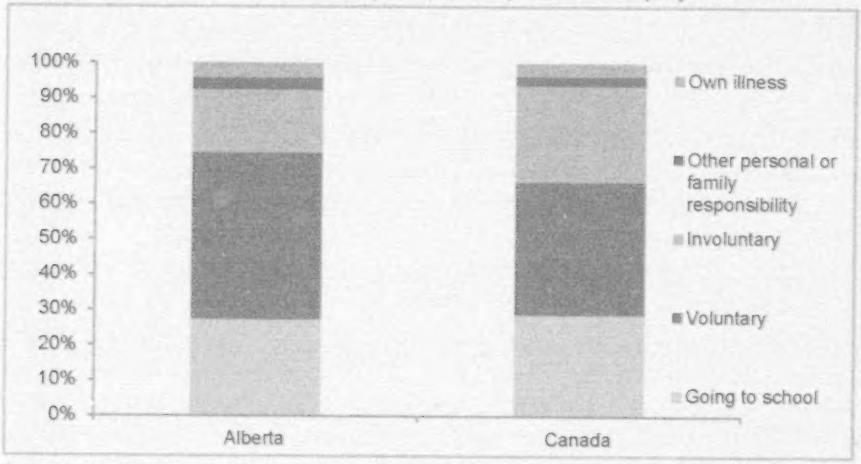
Albertans work part-time voluntarily

In 2014, there were 376,100 part-time workers in Alberta, accounting for 16.5% of total employment. Over the first 10 months of 2015, the share increased slightly to 16.8%. There are a number of reasons Albertans work part-time, but the majority of part-time workers prefer to work part-time hours. This month's Labour InSight explores the reasons for part-time employment in Alberta.

Most choose part-time employment

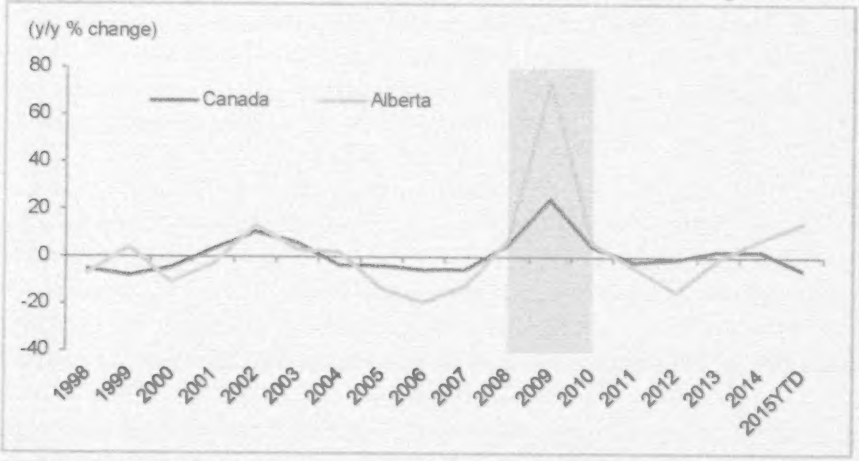
Most of Alberta's part-time workers chose to work part-time, which is defined as working less than 30 hours per week. The share of Alberta part-time workers noting personal preference has been increasing steadily since the question was introduced in 1997, from 24% to 31% in 2014. Women accounted for over 70% of part time workers in 2014, citing taking care of children as one of the main reason for preferring to work part-time. In 2014, student and voluntary part-time workers represented three-quarters of all part-time workers, much higher than the national average of 66% (Chart 1).

Chart 1: Majority of Alberta's part-time workers are voluntary
2014 share of part-time workers by reason for part-time employment



Source: Statistics Canada

Chart 2: Involuntary part-time employment increases during tough times
Change in involuntary part-time employment with recession shading



Source: Statistics Canada

Strong economy plays a role

With plenty of jobs available in Alberta over the past few years, most people who wanted to work full-time could find work, keeping the number of involuntary part-time workers low. Less than one-fifth of Alberta's part-time workers in 2014 were involuntary part-time workers, substantially lower than the national average of 27%. Higher average incomes in Alberta have also provided families with flexibility in working hours, such as part-time work. *The gap in average earnings between Alberta and other provinces* has been increasing since 2000, and was 20% higher than the Canadian average in 2014.

Involuntary part-time rising

Part-time employment, driven by involuntary part-time workers, tends to move with the business cycle; low during boom times and rising during tougher times (Chart 2). With labour market conditions weakening in 2015, part-time employment has increased by 3.6% over the first 10 months of the year. At the same time, involuntary part-time employment has increased 14.4% year-to-date, accounting for over 70% of the increase in part-time employment. However, the increase in involuntary part-time workers so far this year is significantly lower than the 2009 recession.

Have a question or idea for Labour InSight? Send us an *email*.

Contact

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